

July 29, 2022

Listing Department

BSE LIMITED

P J Towers, Dalal Street, Fort,

Mumbai-400 001

Code: 531 335

Listing Department

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Exchange Plaza, Bandra Kurla Complex,

Bandra (E),

Mumbai-400 051

Code: ZYDUSWELL

Sub: **Outcome of Board Meeting**

Dear Sir / Madam,

The Board of Directors at their meeting held today i.e. July 29, 2022, based on the recommendations of Audit Committee, approved the unaudited financial results for the quarter ended on June 30, 2022.

In this regard, please find enclosed the following:

1. the unaudited financial results (standalone and consolidated) for the quarter ended on June 30, 2022, reviewed by the Audit Committee and taken on record by the Board of Directors, today i.e. July 29, 2022 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the **Listing Regulations**").
2. the Limited Review Reports of M/s. Mukesh M. Shah & Co., Chartered Accountants and the Statutory Auditors of the Company certifying the limited review of the unaudited financial results (standalone and consolidated) of the Company for the quarter ended on June 30, 2022 pursuant to regulation 33 of the Listing Regulations.
3. a copy of press release proposed to be published in the newspapers in the matter of unaudited financial results for the quarter ended on June 30, 2022.



- The Trading Window under SEBI Insider Trading Regulations, 2015 shall remain closed for trading till July 31, 2022 and shall reopen on and from August 1, 2022 for the Directors and Designated Persons.

The Board Meeting commenced at 11:10 a.m. and concluded at 12:00 noon.

Please find the same in order.

Thanking you,

Yours faithfully,

For, ZYDUS WELLNESS LIMITED



**NANDISH P. JOSHI
COMPANY SECRETARY**



Encl.: As above

Statement of Unaudited Financial Results for the Quarter Ended June 30, 2022

₹ in Lakhs				Sr. No.	Particulars	₹ in Lakhs			
CONSOLIDATED						COMPANY			
Quarter Ended		Year Ended				Quarter Ended		Year Ended	
June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022			June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
[Unaudited]	[Unaudited] Refer Note 6	[Unaudited]	[Audited]			[Unaudited]	[Unaudited] Refer Note 6	[Unaudited]	[Audited]
				1	Income				
				a	Revenue from operations				
69,298	63,519	58,821	1,98,846	i	Sales	5,398	5,396	2,748	19,042
378	459	937	2,064	ii	Other operating income	782	647	510	2,583
195	196	239	1,040	b	Other income	371	355	422	1,540
69,871	64,174	59,997	2,01,950		Total Income	6,551	6,398	3,680	23,165
				2	Expenses				
25,012	33,874	14,959	88,494	a	Cost of materials consumed	4,151	4,230	2,362	14,589
3,254	4,573	3,060	9,463	b	Purchases of stock-in-trade	-	-	-	-
				c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	83	(45)	201	654
3,595	(7,005)	8,635	80	d	Employee benefits expense	746	578	818	3,106
4,509	4,007	4,299	16,356	e	Finance costs	45	49	49	202
414	598	642	2,551	f	Depreciation and amortisation expense	72	77	68	284
604	608	559	2,362	g	Advertisement and promotion expense	206	442	110	1,093
9,617	6,484	6,925	23,475	h	Other expenses	453	474	1,197	2,715
8,877	7,895	7,838	28,567		Total expenses	5,756	5,805	4,805	22,643
55,882	51,034	46,917	1,71,348	3	Profit/ [Loss] before exceptional items and tax [1-2]	795	593	(1,125)	522
13,989	13,140	13,080	30,602	4	Exceptional items	-	-	-	-
291	-	-	-	5	Profit/ [Loss] before tax [3-4]	795	593	(1,125)	522
13,698	13,140	13,080	30,602	6	Tax expense				
				a	Current tax	-	-	-	-
(3)	(190)	-	(285)	b	Deferred tax	-	(748)	-	(748)
(3)	(190)	-	(285)		Total tax expenses	-	(748)	-	(748)
13,701	13,330	13,080	30,887	7	Net Profit/ [Loss] [5-6]	795	1,341	(1,125)	1,270
				8	Other Comprehensive Income [OCI]				
(25)	276	49	(101)	a	Items that will not be reclassified to profit or loss [net of tax]	1	35	4	1
20	13	8	20	b	Items that will be reclassified to profit or loss [net of tax]	-	-	-	-
(5)	289	57	(81)		Other Comprehensive Income [net of tax]	1	35	4	1
13,696	13,619	13,137	30,806	9	Total Comprehensive Income [7+8]	796	1,376	(1,121)	1,271
				10	Total Comprehensive Income attributable to:				
13,696	13,619	13,137	30,806	a	Owners of the company	796	1,376	(1,121)	1,271
6,363	6,363	6,363	6,363	11	Paid-up Equity share capital [Face Value ₹ 10 each]	6,363	6,363	6,363	6,363
			4,78,040	12	Reserve excluding Revaluation Reserve				3,93,655
				13	Earnings per share [EPS]				
					[EPS for quarter is not annualized]				
21.53	20.95	20.56	48.54	a	Basic (₹) - After exceptional items	1.25	2.11	(1.77)	2.00
21.99	20.95	20.56	48.54	b	Basic (₹) - Before exceptional items	1.25	2.11	(1.77)	2.00
21.53	20.95	20.56	48.54	c	Diluted (₹) - After exceptional items	1.25	2.11	(1.77)	2.00
21.99	20.95	20.56	48.54	d	Diluted (₹) - Before exceptional items	1.25	2.11	(1.77)	2.00

Notes :

- 1 The above financial results were reviewed by the Audit Committee and then approved by the Board of Directors at their meeting held on July 29, 2022.
- 2 The Company operates in one segment, namely "Consumer Products".
- 3 Due to seasonality of some of the Company's products, Company's Revenues and Profits are skewed in favour of the first and last quarters of the financial year. Hence the performance of these quarters is not representative and cannot be generalised for other quarters.
- 4 As a part of manufacturing and supply chain network optimisation and to make manufacturing operations leaner and agile to the consumer needs, the Company (and its subsidiaries) had conducted a strategic review of its manufacturing footprint. In view of the same, the Board of Directors of Zydus Wellness Product Limited, a wholly owned subsidiary Company, at their meeting held on June 17, 2022, had passed a resolution to cease the operations of Sitarganj manufacturing facility. The Company does not anticipate any material effect due to this decision and the expenses incurred so far in connection with the cessation of Sitarganj facility have been classified as Exceptional items in the above results.
- 5 There is no significant impact with respect to COVID 19 pandemic during the quarter ended June 30, 2022.
- 6 The figures for the Quarter ended Mar 31, 2022 are the balancing figure between audited figures in respect of the full financial year and for the period upto the end of the third quarter of financial year 2021-22.
- 7 Figures of previous reporting periods have been regrouped/ reclassified wherever necessary to correspond with the figures of the current reporting period.

By Order of the Board,
For Zydus Wellness Limited,



Dr. Sharvil P. Patel
Chairman

Place: Ahmedabad
Date: July 29, 2022

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

To,
The Board of Directors,
Zydu Wellness Limited

1. We have reviewed the accompanying statement of Standalone Unaudited Financial Results of **Zydu Wellness Limited** ['the Company'], for the quarter ended on June 30, 2022 ['the Statement'] attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended.
2. This statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34, 'Interim Financial Reporting' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Ahmedabad
Date: July 29, 2022

UDIN: 22030190 ANURC1305



For Mukesh M. Shah & Co
Chartered Accountants
Firm Regn. No. 106625W

Mukesh M. Shah
Partner
Membership No. 030190

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

To,
The Board of Directors,
Zydus Wellness Limited

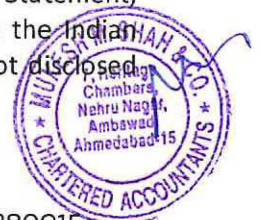
1. We have reviewed the accompanying statement of Consolidated unaudited financial results of **Zydus Wellness Limited** ['the Parent'] and its subsidiaries [the Parent and its subsidiaries together referred to as 'the Group'] for the quarter ended on June 30, 2022 ['the Statement'] attached herewith, being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended.
2. This statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34, 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the financial results of the following entities:

- a) Parent Company
 - i) Zydus Wellness Limited
- b) Subsidiary Companies
 - i) Zydus Wellness Products Limited
 - ii) Liva Nutritions Limited
 - iii) Liva Investments Limited
 - iv) Zydus Wellness International DMCC
 - v) Zydus Wellness (BD) Pvt Limited

5. Based on our review conducted and procedures performed as stated in Paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed



the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We did not review the interim financial information of 3 subsidiaries included in the consolidated unaudited financial results, whose interim financial information reflect [the figures reported below are before giving effect to consolidation adjustments] total income of ₹ 69,239 Lakhs for the quarter ended June 30, 2022, total net profit after tax of ₹ 1,735 Lakhs for the quarter ended June 30, 2022 and total comprehensive income of ₹ 1,709 Lakhs for the quarter ended June 30, 2022, as considered in the Statement. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of this matter.

7. The consolidated financial results also include the financial information of 2 subsidiaries included in the consolidated unaudited financial results, whose interim financial information reflect [the figures reported below are before giving effect to consolidation adjustments] total income of ₹ 1,068 Lakhs for the quarter ended June 30, 2022, total net loss after tax of ₹ 82 Lakhs for the quarter ended June 30, 2022 and total comprehensive income of ₹ (82) Lakhs for the quarter ended June 30, 2022, as considered in the Statement. No limited review of these financial information has been carried out by the auditors of the subsidiary; however, according to the information and explanations given to us by the Management, these interim financial results/ information are not material to the Group.

Our conclusion on the Statement is not modified in respect of our reliance on the interim financial information as certified by the management.

Place: Ahmedabad

Date: July 29, 2022

UDIN: 22030190 ANUXYU 5831



For Mukesh M. Shah & Co
Chartered Accountants
Firm Regn. No. 106625W

Mukesh M. Shah
Partner
Membership No. 030190

Zydus Wellness Ltd, Net sales up by 17.8%

Ahmedabad, July 29, 2022

For the first quarter ended June 30, 2022, Zydus Wellness Ltd. reported consolidated Net sales of Rs.693 crores, up by 17.8% and consolidated revenue from operations of Rs. 697 crores, up by 16.6%. Earnings before Interest, Depreciation and Tax (EBIDTA) of Rs. 148 crores was up by 5.5% on a y-o-y basis. Adjusted Net profit before exceptional items for the quarter was up by 7% at Rs.140 crores. Reported Net profit for the quarter was up by 4.7% at Rs.137 crores.

During the quarter gone by the Company witnessed resurgence in demand of summer oriented brands i.e. Glucon-D and Nycil. With strong distribution and marketing efforts, the Company could also re-recruit the consumers for these brands as a result of which they have registered a strong double digit growth.

The key brands of the Company, like Sugar Free, Everyuth peel off, Everyuth scrub, Glucon-D and Nycil have maintained leadership position in their respective categories.

The Sugar Free brand continued to maintain its leadership with a market share of 95.5 percent¹. With the focus on category development, the brand continued to promote the stevia based Sugar Free Green variant. Glucon-D has maintained its number one position with a market share of 60.4% in the Glucose powder category, an increase of 203 basis points over the same period last year². Glucon-D Immunovolt, continued to deliver steady business. Complian had a market share of 4.8% in the Health Food (MFD) category³. Nycil has maintained its number one position with a market share of 34.2% in the Prickly heat powder category⁴. Everyuth Scrub has maintained its number one position with a market share of 41.8% in the facial scrub category, which is an increase of 511 basis points over the same period last year and Everyuth Peel off has maintained its number one position with a market share of 76% in the Peel off category. Everyuth brand now has a market share of 6.6% in the overall facial cleansing segment⁵. Nutralite brand has registered yet another strong double-digit growth during the quarter gone by on Year-on- Year basis. With an expanding presence of Ghee in institutional channel through Nutralite DoodhShakti Professional Ghee, the brand gained better traction in the market⁶.

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Sources:

*1, 2, 3, 4, 5, 6- as per MAT June 2022 report of Nielsen.

For further information please contact :
The Corporate Communications Department

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